



बैंक ऑफ महाराष्ट्र
Bank of Maharashtra
भारत सरकार का उद्यम

CSA
ADVISOR
PROTECTING | INVESTING | FINANCING | ADVISING



Research Report

Bank of Maharashtra

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About

Bank of Maharashtra, founded in 1935 and nationalised in 1969, is a leading public sector bank headquartered in Pune. With over 2,600 branches, it has the widest network in Maharashtra. The bank provides retail, corporate, and digital banking services and is majorly owned by the Government of India. It also supports MSMEs, agriculture, financial inclusion, and promotes various government welfare schemes across the country.

Business Segments

Bank of Maharashtra operates through Treasury, Corporate, Retail, Agriculture, and MSME segments. It offers loans, investment services, and digital banking to individuals and businesses.

The bank also provides insurance, demat, and other value-added financial services.

Revenue Breakup – Q1 FY25 (₹ Crore)

Retail Banking	:43.1%
Corporate / Wholesale	:33.1%
Treasury Operations	:23.3%
Other Banking Ops	:0.5%

Synopsis of Financials

Bank of Maharashtra delivered a strong financial performance in Q1 FY26, supported by consistent core income, superior asset quality, and efficient cost management. The bank continued its focus on sustainable growth and shareholder value, maintaining strong capital levels and profitability metrics.

- **Net Profit: ₹1,592.8 crore**
- **Net Interest Margin (NIM): 3.95%**
- **Gross NPA / Net NPA: 1.74% / 0.18%**
- **Return on Assets (RoA): 1.80%**
- **Cost-to-Income Ratio: 37.57%**
- **Capital Adequacy Ratio (CRAR): 20.06%**

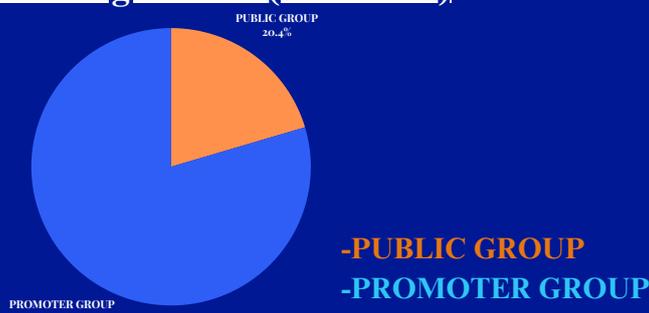
Stock data (as 11th Aug 2025)

Nifty Price	: 24,554
Market Capitalization	: 41,780.53
Total Debt (FY22P)	: 6.92 Cr
PE/PB	: 7.96 / 1.84
52 week H/L (₹)	: 67.50/38.11
Face Value	: ₹ 10.0
NSE/BSE Code	: INE457A01014

Stock data



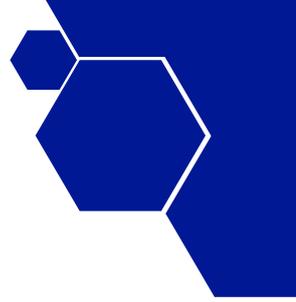
Shareholding Pattern (June 2025)



Financial Summary

Particular	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Revenue -	11,869	13,019	15,899	20,495	24,948
Sales Growth %	3.25%	9.70%	22.12%	28.91%	21.73%
Interest	6,970	6,974	8,157	10,672	13,281
Expenses +	6,788	7,278	6,314	8,542	9,311
Financing Profit	-1,889	-1,233	1,428	1,281	2,356
Profit before tax	571	1,153	3,448	4,072	5,542
Net Profit +	571	1,153	2,605	4,072	5,542

Quarterly Results



	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25
Revenue +	5,172	5,467	5,875	6,017	6,325	6,731	7,054
Interest	2,705	2,882	3,075	3,210	3,381	3,614	3,762
Expenses +	2,076	2,339	2,349	2,219	2,269	2,561	2,414
Financing Profit	390	246	450	588	675	556	878
Financing Margin %	8%	4%	8%	10%	11%	8%	12%
Other Income +	680	1,022	894	792	788	981	825
Depreciation	0	0	0	0	0	0	0
Profit Before tax	1,070	1,268	1,344	1,380	1,463	1,537	1,703
Tax %	3%	4%	4%	4%	4%	3%	6%
Net Profit +	1,038	1,230	1,295	1,333	1,412	1,502	1,504

Source: Screener

Source: Annual Report

Yearly Results

	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25
Equity Capital	6,560	6,730	6,730	7,081	7,692
Reserves	5,748	7,331	9,060	12,789	21,016
Deposits	1,73,989	2,02,275	2,34,064	2,70,726	3,07,120
Borrowing	4,239	7,747	10,766	7,719	23,853
Other Liabilities +	6,299	6,700	7,207	9,013	9,673
Total Liabilities	1,96,835	2,30,783	2,67,827	3,07,329	3,69,354
Fixed Assets +	1,622	2,036	2,149	2,200	2,911
CWIP	52	205	8	10	4
Investments	68,281	68,762	69,042	68,465	82,216
Other Assets +	1,26,880	1,59,780	1,96,628	2,36,655	2,84,222
Total Assets	1,96,835	2,30,783	2,67,827	3,07,329	3,69,354

Synopsis Quarter Results

Concall Notes - July -2025: Key Highlights

Overall Performance

- Bank of Maharashtra delivered a robust Q1 FY26 performance, reinforcing its position as one of the most efficiently run public sector banks. The bank reported a net profit of ₹1,592.8 crore, marking a 23% year-on-year growth, driven by stable core income, treasury gains, and cost control. Net Interest Margin (NIM) stood strong at 3.95%, supported by over 50% CASA ratio, low-cost deposit mobilization, and efficient asset-liability management.
- Asset quality remained industry-leading, with Gross NPA at 1.74% and Net NPA at just 0.18%. The Provision Coverage Ratio (PCR) stood at an impressive 98.36%. Slippages during the quarter rose to ₹727 crore, mainly from the agriculture segment, which management attributes to seasonal factors. SMA-2 accounts increased to ₹171 crore, though management maintains that these are under control.
- The bank's total business grew by 15% year-on-year to ₹5.46 lakh crore. Advances reached ₹2.37 lakh crore, and deposits stood at ₹3.05 lakh crore. Segment-wise, retail banking led with a 43.1% revenue share, followed by corporate (33.1%) and treasury operations (23.3%). Gold loans grew 58% YoY, while temporary declines in MSME and Agri portfolios were due to RBI-mandated reclassification of small-ticket gold loans.
- Strategically, Bank of Maharashtra is executing "Project 321" to open 321 new branches in 18 months, supported by targeted hiring in compliance, IT risk, and governance. It is also preparing to launch a revamped mobile banking app to improve digital user experience. The bank has secured regulatory approval to launch its first overseas presence at GIFT City, enabling global syndication and ECB activity.
- Capital adequacy remains strong at 20.06%, with no immediate need for fund-raising. Cost-to-income ratio stood at 37.57%, one of the lowest among PSU peers, despite heavy investment in expansion and recruitment. The management reaffirmed its guidance for FY26: NIM of 3.75%, credit cost <1%, and loan growth of 17%, demonstrating a clear balance between growth, profitability, and risk management.

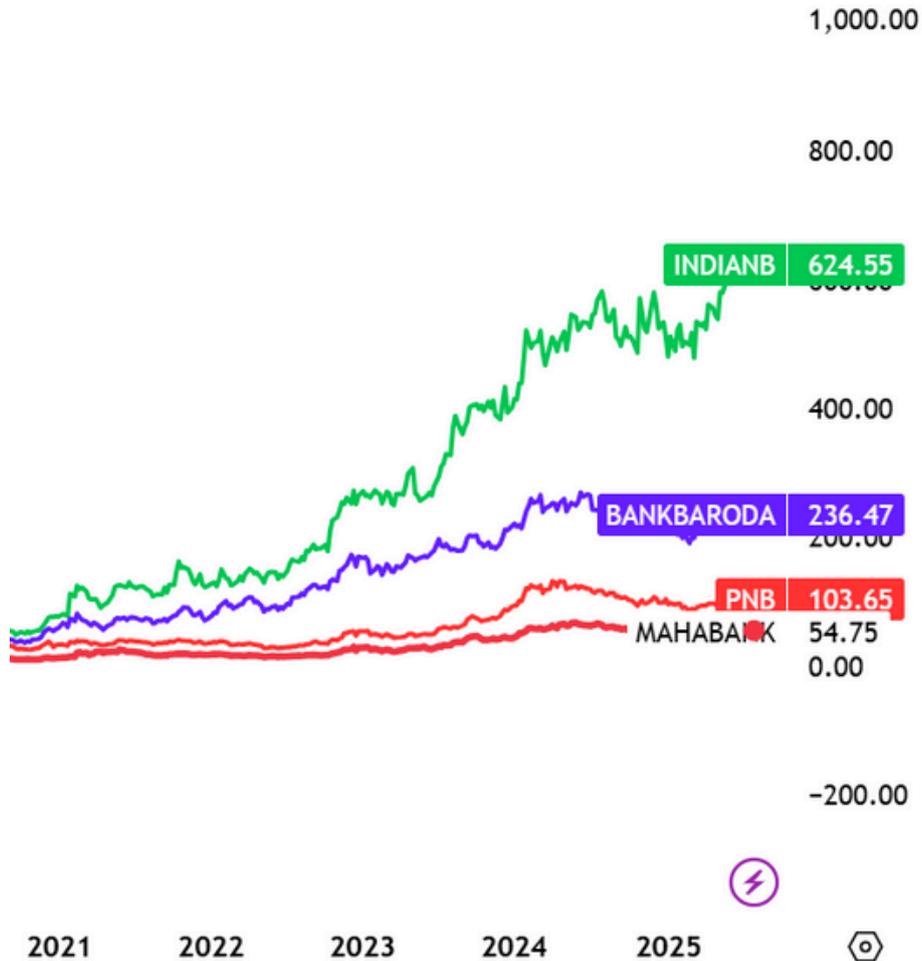
Highlights



Peer Comparison



Peer Stock Performance (5Y) Indexed



Source: Trading View

Peer Financial Performance

Name	CMP Rs.	P/E	Mar Cap Rs.Cr.	Div Yld %	NP Qtr Rs.Cr.	Qtr Profit Var %	Sales Qtr Rs.Cr.	Qtr Sales Var %	ROCE %
St Bk of India	797.95	9.41	736557.12	2.01	20379.46	-8.34	126997.00	8.11	6.47
Bank of Baroda	238.05	6.35	123104.32	3.46	3517.18	-26.62	32866.31	5.53	6.29
Punjab Natl.Bank	104.65	7.16	120273.64	2.71	2167.10	-46.68	32572.33	11.76	6.32
Union Bank (I)	130.05	5.27	99275.04	3.66	4427.94	21.59	27474.93	3.57	6.72
Canara Bank	107.00	5.25	97055.96	3.77	3232.65	23.09	31522.98	8.06	6.79
Indian Bank	627.25	7.35	84488.33	2.62	2277.08	8.40	16285.10	8.27	6.38
I O B	37.35	18.85	71923.38	0.00	1111.04	75.57	7385.55	13.01	5.95
Bank of Maha	55.57	7.43	42742.00	2.65	1504.37	16.16	7053.98	20.07	5.72

Source: Screener

Final Outlook

MAHABANK: HOLD | LTP: 54.34

Bank of Maharashtra – Fundamental Outlook

- Bank of Maharashtra continues its strong trajectory in FY26, delivering robust operating performance, high-quality growth, and sector-leading efficiency. In Q1 FY26, the bank reported a net profit of ₹1,592.8 crore, up 23% YoY, with a Net Interest Margin (NIM) of 3.95% and Return on Assets (RoA) at 1.80%. The cost-to-income ratio stood at an efficient 37.57%, despite continued investment in branch expansion and recruitment.
- Asset quality remains best-in-class, with Gross NPA at 1.74%, Net NPA at 0.18%, and a Provision Coverage Ratio (PCR) of 98.36%. Though slippages rose to ₹727 crore—mainly from the Agri segment—they are expected to normalize over the coming quarters.
- The bank's total business reached ₹5.46 lakh crore (+15% YoY), backed by stable deposit growth and strong performance in retail and gold loans. Segment-wise, Retail Banking contributed 43.1% of revenue, followed by Corporate/Wholesale at 33.1%, and Treasury at 23.3%.
- BoM's capital adequacy ratio stands at 20.06%, providing ample room for growth without near-term fundraising. Strategic initiatives like Project 321 (321 new branches), a revamped mobile banking app, and the launch of GIFT City IBU mark a significant shift toward long-term expansion and international presence.
- Outlook for FY26 remains solid, with management reaffirming guidance: NIM at 3.75%, credit cost below 1%, and advance growth at 17%. With its balanced focus on profitability, digital transformation, and risk management, Bank of Maharashtra is well-positioned to sustain leadership among PSU banks.

Bank of Maharashtra remains a top-performing PSU bank, backed by strong profitability, superior asset quality, and robust capital adequacy. Strategic branch expansion, digital upgrades, and conservative risk management position it well to sustain growth momentum. Its consistent delivery makes it a reliable candidate for continued outperformance in FY26.

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